

**Ambassador Carlos Pascual, Coordinator for the Office of Reconstruction and Stabilization**  
Statement to the Senate Committee on Foreign Relations  
Washington, DC  
June 16, 2005

Thank you, Mr. Chairman, Senator Biden, Honorable Members of the Committee. I appreciate having the opportunity to address you this morning to discuss what I consider to be one of the greatest national security challenges of our time – the management of conflict. First, I would like to thank the Chairman and Senator Biden, and the Members of the Appropriations Committees in the House and Senate, for the \$7.7 million in funding that the Office of the Coordinator for Reconstruction and Stabilization received in the FY 2005 Emergency Supplemental. These funds will be essential to our efforts to build core functions, as well as for our work on Sudan.

I am very pleased to be here today with Under Secretary Ryan Henry, General Skip Sharp and Assistant Administrator Jim Kunder. Managing conflict is too great a challenge and too complex a task for one office alone. It must be a joint effort coordinated across our government. Seated here with me are three of our key partners.

As this Committee has recognized, the management of conflict requires a paradigm shift in how we think about international relations. The twentieth century's premise – that the struggle between strong powers principally threatens security and stability, and that international security is driven by rational actors scrutinizing one another – was turned on its head on September 11. On that morning, we saw one of the poorest countries in the world become the base of operations for the deadliest external strike against the United States in our history. It made us fundamentally re-examine our assumptions about national security. One constant in this world is that voids will be filled – in the absence of legitimate governance, those voids will be filled with terrorism, organized crime, weapons proliferation, trafficking and other threats to our national interests. There is no moment of greater challenge and risk than when countries emerge from conflict or civil strife. It is simply not enough to rely on ad hoc responses.

We have no choice but to adapt, and develop new tools to meet the challenges of today. It was in this context that the Office of the Coordinator for Reconstruction and Stabilization was created last year. We have been charged with creating a joint operations capability within the U.S. Government to prevent or prepare for conflict. This has truly been a bipartisan, Government-wide initiative. I would like to thank Chairman Lugar and Senator Biden for your leadership on this issue. It has provided a foundation on which we have been able to build. You and your staff have been stalwart proponents of building stronger stabilization and reconstruction capabilities. The Administration appreciates your commitment.

In the Executive Branch, S/CRS has been fortunate to receive tremendous support from the President, Secretary Rice and Dr. Hadley. We have received resounding support from National Security Principals and the Combatant Commands. In April 2004, the NSC approved the creation of S/CRS. In December, we went back to update them on our progress. They unanimously reaffirmed their support for S/CRS, and approved the direction in which our operating models have developed.

S/CRS is unique. It is a State Department office with interagency responsibilities. Responding to conflict with unity of effort is broader than the mandate of any one agency. The mission can require peacekeeping, coordination with military operations, peace negotiations, civilian police functions, support for the rule of law, and economic and humanitarian assistance. In light of the breadth of agency responsibilities, we must focus on ensuring a common U.S. Government voice, and not a collection of individual agency responses. The State Department is charged with implementing the President's foreign policy agenda, in coordination with the NSC. As such, NSC Principals unanimously agreed to establish S/CRS in the State Department.

Our mandate must consider the full spectrum of conflict. Sustainable peace requires more than stabilization. We need to help people take ownership of the transition so that they can change the very fabric of their societies and redefine governing structures that foster freedom, inclusiveness and reconciliation. It requires uprooting the ills that led to conflict in the first place. These are complicated tasks, and we cannot succeed if our only means of responding is crisis. We need to understand how we can prevent conflict. Or if that is not possible, be able to prepare in advance to respond more effectively.

We are improving our early warning capabilities, and linking early warning to early response. We are developing better planning capabilities, such as a common template for civilian agencies and the military for stabilization and reconstruction planning. We are developing more effective management tools for coordination of a crisis response in Washington, and in the field. We are putting in place mechanisms to facilitate communication between first responders and policy makers, so that decision-makers receive ground-truthed and timely information, and so those on the front lines receive guidance on priorities and objectives.

To build these capabilities, the Administration has requested \$124.1 million in the FY 2006 budget. This includes \$24.1 million to support core office functions, training and exercises. The Department's full personnel request would support initial development of an Active Response Corps within the Department. The Administration is requesting \$100 million for a Conflict Response Fund, which would serve as a flexible account to quickly channel resources into programs, thereby speeding response and impact. This will also give us time within the Administration and Congress to identify longer-term funding. I want to stress my commitment to work closely with Congress on the use of this fund. In addition, the Administration is seeking a transfer authority, subject to determinations by the Secretaries of State and Defense, that would allow the State Department to draw down up to \$200 million for stabilization and reconstruction activities from the Department of Defense budget. These resources are fundamental to achieving impact on the ground. The sooner we can get programs started that allow people to see conditions improving for their families and their country, the better chance we have of helping a country get on the right trajectory.

The legislative effort launched by this committee has galvanized support and attention. Your legislation is very much in line with the Administration's efforts. We fully support your initiative to authorize a Conflict Response Fund with flexible authorities so it can be used rapidly, and to authorize additional personnel management flexibilities.

The Chairman and Senator Biden's proposal calls for a response corps from State and USAID as well as a response readiness reserve. We indeed must develop the capacity to manage crisis response as well as to deploy to the field. The operating concepts we propose will allow improved central Washington management through staffing S/CRS. They provide for a rapid Diplomatic response capability through an Active Response Corps and a Standby Corps that can back up first responders. We are developing ways to strengthen existing contract response mechanisms. We will fill any gaps by creating a Global Skills Network that draws on NGO, private sector, think tank and university capabilities. An operational database will catalogue U.S. Government capabilities. Looking to longer-term needs, we are working with Joint Forces Command on a study to assess the cost-effectiveness of civilian reserve models that will result in alternatives we will discuss with this Committee.

The skills and resources we are requesting are not just investments for the future. They are needed right now, most urgently in Sudan. In close coordination with the NSC, the Department's Africa Bureau, USAID, and the Department of Defense, we are pulling together a unified U.S. Government strategy for Sudan and the implementation of the Comprehensive Peace Agreement.

We are working with the Western Hemisphere Affairs Bureau on Cuba to develop a framework for U.S. strategy for the immediate period after Fidel Castro's death. We have been working with the Department's Africa Bureau on conflict prevention and mitigation strategies in the Democratic Republic of Congo. Just a month ago, we co-hosted a policy exercise that pulled together the interagency community and international participants from the EU, the UN and other partners to strengthen planning for the DRC's upcoming elections.

If we can better coordinate U.S. resources, and can better leverage the capabilities of the international community, the private sector and non-governmental organizations, we stand a better chance of affecting the dynamics on the ground. To put this into perspective, in the case of Iraq, by changing the dynamics enough to allow just one division to leave one month early we would have saved \$1.2 billion. We save hundreds of millions by allowing peacekeepers to end operations sooner. Funding the types of initiatives S/CRS is developing is not only an investment in peace and democracy; it saves money. Even more importantly, it saves lives by removing our troops from harm's way. We owe it to our troops, to the American people, to our national prestige, and to those around the world who struggle to emerge from conflict, to improve our capabilities. We appreciate the resources you are providing through the Supplemental, and we hope that you will continue to support our efforts. Thank you for your attention, and I'm happy to answer any questions.

###